MULTIMEDIA UNIVERSITY STUDENT IDENTIFICATION NO

MULTIMEDIA UNIVERSITY

FINAL EXAMINATION

TRIMESTER 1, 2016/2017

BSM3024 – STRATEGIC KNOWLEDGE MANAGEMENT

(All sections / Group)

10 OCTOBER 2016
2:30 p.m. – 4:30 p.m.
(2 Hours)

INSTRUCTIONS TO STUDENT

1. This Question paper consists of 5 pages with 9 Questions only.

3. Attempt **ALL** questions in Section A and B. The distribution of the marks for each question is given.

4. Please write all your answers in the Answer Booklet provided.

SECTION A (60 MARKS)

In the last decade, there has been an increase in inter-organisational collaborations, particularly between government and industry (Bakker et al. 2011). Collaborative groups provide many benefits but over time, people move on to other job roles or leave the group/organisation entirely. How to retain the knowledge of these people has been a key component of organisational and knowledge management research (Anand et al. 1998; Bresnan et al. 2003; DeLong 2007; Hedberg 1981; Moreland et al. 1996; Stein 1995; Walsh and Ungson 1991).

The problem for these collaborations is that technology-based solutions such as expert systems and virtual communities and human-based solutions such as exit interviews, proposed for organisational knowledge retention, may not be possible in inter-organisational collaborations (Braga de Vasconcelos and Kimble 2007; Satzinger et al. 1999; Turoff et al. 1993). In the organisational context, these services are provided by the affiliated organisations. In government-industry collaborations, technology, support and funds may not be available due to the loosely-coupled structure or public focus of the alliance (Alexander 1993).

It is becoming increasingly difficult for organisations to operate successfully while only maintaining an internal focus. Organisations are looking beyond their own borders to offset external pressures through collaborative benefits and the opportunity to gain access to competencies unavailable within their own organisation (Chesbrough 2006).

Inter-organisational collaborations consist of members from multiple organisations who identify with both their affiliate organisation and the collaborative group (Alexander 1993). These relationships are often tightly defined through contractual boundaries that specify the purpose for collaboration and reduce risks for the organisations involved (Mentzas et al. 2006; Mowery et al. 1996; Sun and Scott 2005). Benefits to the firms involved include shared financial costs and risk, combined complimentary competencies, the exchange of knowledge and research (Tang 2008). There is also opportunity to develop products for niche markets that may not be viable for a single organisation or to increase production opportunities or research (Hatten and Rosenthal 2001; Tang 2008).

However, inter-organisational collaborations are not limited to the industry sector. Government and government-industry collaborations provide the organisations involved with multiple perspectives on boundary spanning issues such as jurisdictional, environmental or social impacts (von Malmborg 2003). These collaborations also benefit from access to competencies and knowledge that may not be available internally, the inclusion of industry funds to support social projects, development of social networks and innovative problem solving (Choi and Levine 2004; Lozano 2007; O'Leary et al. 2010; von Malmborg 2003).

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The recent rise in inter-government and government-industry collaborations is due to the increase in complex problems with overlapping boundaries, shared responsibilities and need for finances greater than public funds can provide (Jones and Lichtenstein 2008; Kaiser 2011). Examples of these problems include disasters such as the Deepwater Horizon oil leak that involved multiple government agencies and industries across state borders, sustainable development initiatives such as the Monroe 2020 project to create a regional geographical information system or development of community mental health systems involving multiple government and non-profit agencies (Manring et al. 2003; Provan and Milward 1995; USCG 2011).

Common characteristics of these inter-organisational collaborations include: an overall purpose and accepted rules for interaction (Majone 1986); loosely-coupled without formalised (legal) boundaries of the relationship amongst participating organisations (Manring et al. 2003; Manring and Pearsall 2004); low autonomy, being held accountable to a governance body or oversight committee (Alexander 1993); ad hoc existence, forming when needed such as for a particular project (Alexander 1993; Manring and Moore 2006); no identifiable location, budget or staff, instead needed services being provided by the affiliated organisations (Alexander 1993); and a facilitator to coordinate group activities (Alexander 1993).

Adapted from: Van Der Meer, R., & Kautz, K. (2016). Knowledge Retention through Low-Tech Knowledge Sharing Channels in Loosely-Coupled Networks: A Human-Based Approach. arXiv preprint arXiv:1606.01362.

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Based on the above case, answer the following questions:

1. Identify **SIX (6)** problems of inter-organisational collaborations between government and industry. (12 marks)

2. Suggest solution to each of the **SIX (6)** problems identified in Question 1. (12 marks)

3. Discuss **FOUR (4)** factors that facilitate inter-organisational collaborations in the international level. (12 marks)

4. Assuming you are a manager of a multinational company, identify **FOUR (4)** business risks that you may face in inter-organisational cross-border collaboration. (12 marks)

5. Illustrate **THREE (3)** key risks of implementing cost-leadership strategy in inter-organisational collaboration. (12 marks)

(Total: 60 marks)

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SECTION B (40 MARKS)

Barriers to knowledge building mostly stem out from the existence of poor organizational culture (Chong & Besharati, 2014). Furthermore, barriers to knowledge building are classified into three categories namely individual (people), organizational, and technological barriers. In order for knowledge management to be fruitful for the organization, these three barriers should be integrated in a way they complement each other. None the less, there are numbers of other barriers and obstacles that every organization needs to address in order to take full advantage of the knowledge management system.

Take an example of oil and gas companies which are operating in knowledge-intensive area like drilling, geography, and geophysics with most of challenge that affect their access to highly valued knowledge pools of "one million man-years of experience". Additionally, there are some other challenges like: providing performance enhancement in the risky and expensive offshore mega projects, developing user-populated knowledge bases, reducing capital and operating overheads, improving utilization and up time, and successful market positioning that enables firms to compete in global market has becomes a big challenge in O&G Industry (Tucci, 2013). There are also few other challenges in the organizations that, they should learn and bring up-to-date culture for handling human resource as well as their skills, knowledge and experience that can be stored in the brains of the people who may work as experts in organizations.

One thing must be kept in minds in order to ensure absolute success of the tenets of knowledge management that the management of the organization continuously brings a change in its organizational culture. The incumbent corporate culture does not always support sharing practices in the organization (Staroňová, 2014). There is a list of complex tasks that oil and gas companies have to deal with, which are considered as knowledge intensive work in the company (Skalle, Aamodt, & Laumann, 2014). Globalization, outsourcing, new technology, new partnerships and regulations of the governments have increased the necessity of knowledge sharing practices for faster and improved work processes (Denicolai, Zucchella, & Strange, 2014).

Oil and gas companies are faced with many challenges in finding effective ways to manage their business in knowledge-intensive areas such as drilling, geology and geophysics, and to access the most valuable knowledge reservoir as one million man-years of experience. Additionally, there are some other challenges like: providing performance enhancement in the risky and expensive offshore megaprojects.

Developing user-populated knowledge bases, for reducing capital and operating overheads, improving utilization and up time, and successful market positioning to compete in the global market becomes a major challenge in the oil and gas industry. There are other challenges in that they should learn and bring up-to-date new culture to handle not only human resource but also their knowledge that are kept in the heads of people who are involved as expertise (Norheim &Fjellheim, 2007).

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Adapted from: Muzahmi, S. (2015). Challenges in Knowledge Management: Insights from oil and gas Industry. *Interdisciplinary Journal of Contemporary Research in Business, 6*(11), 1-19.

Based on the above case, answer the following questions:

6. Identify **SIX (6)** challenges of knowledge building in an oil and gas company.
(12 marks)

7. Provide solution to each of the **SIX (6)** problems identified in Question 6.
(12 marks)

8. Explain **FIVE (5)** ultimate goals of an oil and gas company when adopting resource based model in new knowledge creation.
(10 marks)

9. Evaluate the necessity of *Personal Data Protection Act* enforcement in an oil and gas company.
(6 marks)

(Total: 40 marks)

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